



## **STAFF REPORT**

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### **Motion to Approve Claims Administration Matters**

August 26, 2003

Honorable Mayor and Council Members:

**Summary:** Approval of recommended motion will authorize staff to implement City Council directives on claims administration matters.

**Background and Discussion:** Pursuant to Government Code Section 990 et seq., the City of Belmont has implemented a liability risk management program. The City of Belmont is self-insured for the first \$100,000 in general liability and \$10,000 in vehicle liability claims from claimant. Claims in excess of the amount are re-insured with an insurance carrier. To facilitate the administration of claims, the City of Belmont uses a third party who specializes in claims administration, including investigation, advice, rejection and recommendation settlement action.

The schedules below summarize the claims administrator's recommended actions:

Acknowledgement/Recommendation for Initial Action/Advice of Closure						
Claim No.	Claimant	<sup>1</sup> Date of Incident	Description	Amount	Action	
					<sup>2</sup> (R)(L) (S)(N) (O)	Internal Use Only
BE574	Nails by Jack/Mercury Insurance	09-08-02	Sewer backup	\$7,357.00	R	G
BE575	Markovich, S.	07-15-03	Paint splashed on car	\$200.00	R	G
BE576	Abbey, A.	07-16-03	Sewer	\$7,100.00	R	G

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<sup>1</sup> Per claimant.

<sup>2</sup> (R)eject, (L)ate, (S)tatute of Limitations Passed, (N)o Rejection & (O)ther claimant.

Request for Authority to Settle					
Claim No.	Claimant	Date of Incident	Description	Amount	Basis for Liability (C)omparative, (T)otal, (O)ther
None					

Request for Additional Authority to Negotiate					
Claim No.	Claimant	Date of Incident	Description	Original Amount	Recommended Amount
None					

Supporting information from the claims administrator is available in the Finance Department.

**Follow Up:** Implement motion(s) and correspond with claimant.

**Public Comment:** City staff and the third party administrator, George Hills & Co., have corresponded with the claimant.

**Fiscal Impact:** Amounts are identified by claim. Funding for the liability risk management program is authorized in the Approved Budget. For FY 2004, \$162,000 has been budgeted for claims payments.

**Recommendations:** Approve motion implementing recommendations from claims administrator.

**Alternatives:** Instruct staff/claims administrator to take alternative action.

**Attachments:** Report(s) from claims administrator, if applicable.

Respectfully submitted,

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Thomas Fil, Finance Director

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Jere A. Kersnar, City Manager